



# ASX ANNOUNCEMENT

ASX : CXO

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## **Core receives PACE funding for vital new Yorke Peninsula minerals survey program**

Core Exploration Ltd is pleased to announce that it has been granted funding as part of the South Australian Government's Plan for Accelerating Exploration (PACE) Initiative.

The funding for \$50,000 will cover a substantial part of the cost of implementing airborne electromagnetic (AEM) exploration technology on Core's promising Yorke Peninsula minerals project.

"The funds from this government initiative have now enabled Core to bring forward its important AEM survey to start next month on our Yorke Peninsula licence area," Core's Managing Director, Mr Stephen Biggins, said today.

Mr Biggins said the high-powered AEM survey would aim to directly target mineralisation within the project's Palace target zone as defined by the gravity and magnetics of the licence area.

"The survey will cover Iron Oxide Copper-Gold targets identified from recently completed airborne magnetic and ground based gravity surveys and confirmed by recent drilling. The survey may also define new drill targets to be tested in follow up drilling," he said.

"Six coincident gravity and magnetic targets occur within the Palace structural corridor and were subjected to Core's first-pass aircore drilling in August (Figure 1). Drill results from two separate prospects returned anomalous copper and high levels of silver and have provided the Company with valuable data for the ongoing minerals search on Yorke Peninsula."

Core's large-scale gravity and magnetic drill targets are hosted in an analogous geological setting to Rex Minerals' (ASX:RXM) Hillside Project (Inferred and Indicated Resource of 217Mt at 0.7% copper and 0.2g/t gold) on the adjacent tenement (Figure 2).

As recently announced, Core has scheduled a follow-up drilling program on Yorke Peninsula to commence as soon as the 2011 cropping season is completed, most likely in January 2012. The aim of the next drill program will be to follow up the anomalous drill results and to drill the targets not tested fully by the shallow air-core drilling, as well as priority targets identified by the AEM survey.



Mr Biggins said Core’s successful proposal for funding under the government’s first round of PACE Targeting 2011 program was assessed and ranked by a panel of Primary Industry and Resources of South Australia (PIRSA) and industry representatives.

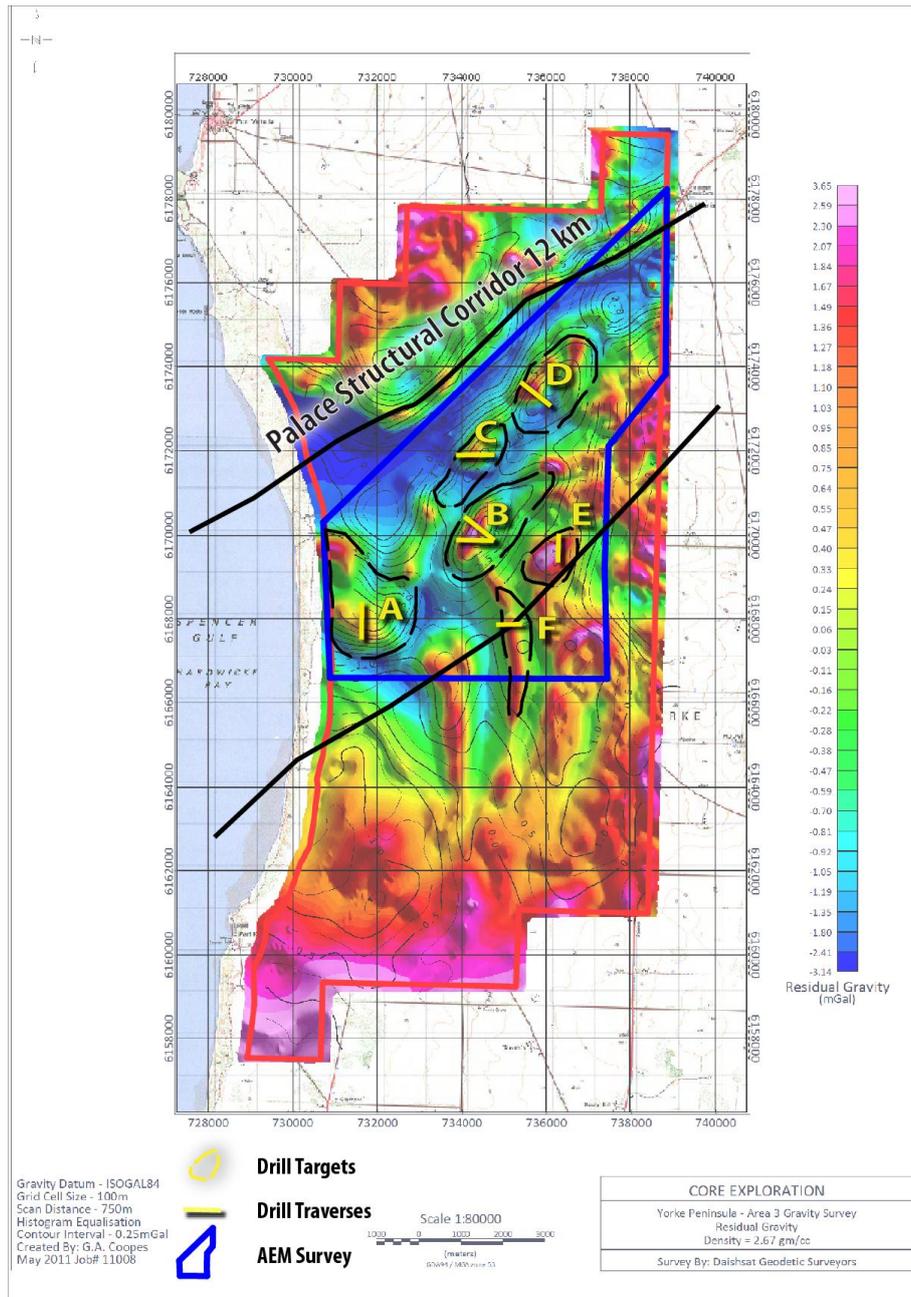
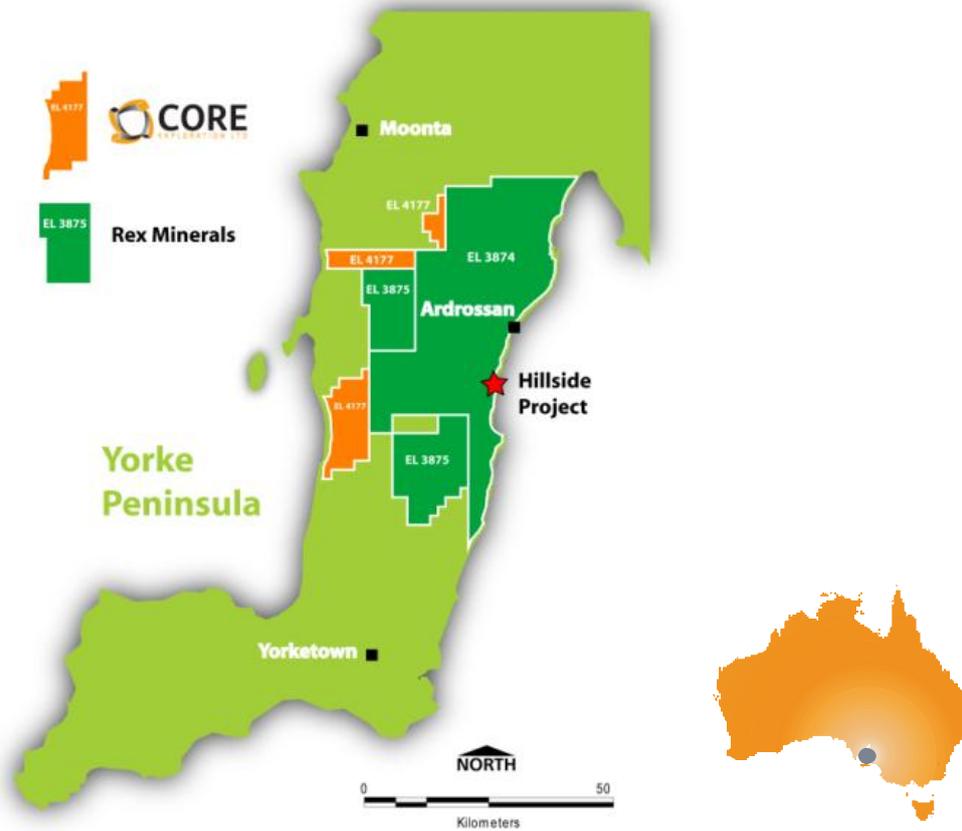


Figure 1: AEM survey area and drill targets within the Palace Structural Zone, Area 3, Yorke Peninsula Project, South Australia (residual gravity contours overlain on Magnetic(RTP) image)

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*Figure 2: Core Exploration's Yorke Peninsula Project, South Australia*

*The information in this report has been compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd and who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. As a Competent Person, he has a minimum of 5 years relevant experience in the style of mineralisation and types of activities being reported and has given written consent to the above report in the form and context in which it appears.*